

SLOVAKIA: PUBLIC PROCUREMENT

BUSINESS WITH PUBLIC SECTOR: OBLIGATORY REGISTRATION

Do you take part in public tender procedures and conclude (concession) contracts or framework agreements with public contracting authorities? Do you receive financial means from the state budget, from EU funds or state aid? Do you use state property?

The Slovak Act on Public Procurement no. 343/2015 Coll. as amended was recently changed by the Act no. 315/2016 ("**Act on Register for Partners of the Public Sector**", the "**Act**"). Accordingly, a new register for partners of the public sector ("**Register**") will be established by the Slovak Ministry of Justice until 1 February 2017.

The new Register shall replace the current register of ultimate beneficial owners managed by the Office for Public Procurement ("**ÚVO**").

NEW REGISTER FOR PARTNERS OF THE PUBLIC SECTOR

The new Act aims to increase the transparency level in the use of public funds.

Pursuant to the Act, "*partners of the public sector*" shall be registered in the new Register. The registration entails the disclosure of the ultimate beneficial owners ("**UBO**") of the partner of the public sector.

APPLICATION TO BE FILED BY THE "AUTHORIZED PERSON" ONLY

Partners of the public sector may only file an application for an entry in the new Register via an "*authorized person*". The new Act defines authorized persons especially as attorneys at law, notaries, tax advisors or banks with a seat in the Slovak Republic.

The authorized person shall prove the UBO with regard to the first registration as well as any consequent changes (e.g. conclusion of a new contract, subsequent changes of an existing contract) regularly as of 31 December of each year.

SANCTIONS

Partners of the public sector should pay great attention to the new Register since severe sanctions may apply for the partner of the public sector, for the management board as well as the authorized person, e.g.:

- Seizure of the economic profit made with the public sector;
- Penalty between EUR 10.000 and EUR 1 000 000;
- Denial of EU funds;

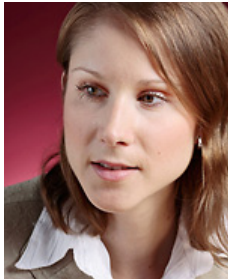
- Right of the public contracting authority to withdraw from the (concession) contract, resp. framework agreement.

Please feel free to contact us. We will gladly support you in filing your application for an entry in the register of final beneficiaries with ÚVO.

About WOLF THEISS

Wolf Theiss is one of the leading law firms in Central, Eastern and Southeastern Europe (CEE/SEE). We have built our reputation on a combination of unrivalled local knowledge and strong international capability. We opened our first office in Vienna almost 60 years ago. Our team now brings together over 340 lawyers from a diverse range of backgrounds, working in offices in 13 countries throughout the CEE/SEE region.

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